



INNOLUX CORPORATION
2015 ANNUAL GENERAL SHAREHOLDERS' MEETING
MINUTES

Time: 9:00 a.m., June 8, 2015

Place: 3F, No.36 Ke Yan Rd., Zhunan Township, Miaoli County
(The assembly hall of the Administrative Service Center of Zhunan Park, Hsinchu Science Park)

Total shares represented by shareholders present in person or by proxy: 6,474,097,307 shares
(including 4,434,758,585 shares casted electronically)

Percentage of shares held by shareholders present in person or by proxy: 65.04 %

Attendees: Tuan, Hsing-Chien, Chair of the Board of Directors
Wang, Jyh-Chau, Director and President
Hsieh, Chi-Chia, Independent Director
Stanley Yuk Lun Yim, Independent Director
Chen, Yi-Fang, Supervisor
Wang, Wei-Fan, Attorney
Wu, Han-Chi, Certified Public Accountant of PWC Taiwan

Chair: Tuan, Hsing-Chien Chair of the Board of Directors

Recorder: Joyce Chen

- 1. Commencement (The aggregate shareholding of the shareholders present in person or by proxy constitutes a quorum. The Chair called the meeting to order.)**
- 2. Chair's Address** (omitted)
- 3. Report Items**

- (1) Operating report of the year of 2014. (See Attachment 1)
- (2) Supervisor's audit report of the year of 2014. (See Attachment 2)



4. Adopting Items

(1)2014 Operating Report and the Financial Statement of the Company. Adoption is respectfully requested.

Explanation:

1. 2014 Operating Report and financial statements of the Company had been adopted by resolutions of the Board of Directors and had been duly audited by supervisors.
2. The preceding statements are attached hereto as Attachment 1&3

Voting Results: 6,444,483,221 shares were represented at the time of voting.

(Including 4,434,758,585 shares casted electronically)

Voting Condition	Voting rights	% of the total represented at thetime of voting
Votes in favor	4,811,451,798	74.66%
Votes against	185,780	0.00%
Votes abstained	1,632,845,643	25.34%
Votes invalid	0	0.00%

RESOLVED, that the above proposal be and hereby was accepted as proposed

(2)Distribution of 2014 Profits. Adoption is respectfully requested.

Explanation:

1. 2014 net profit after tax of the Company is NT\$ 21,676,759,219. After setting aside the legal reserve pursuant to the Articles of Incorporation, the proposed profit for distribution is at the amount of NT\$6,947,188,064. The profit distribution table is attached hereto as Attachment 4.
2. Proposed cash dividend distributed to shareholders is NT\$ 6,947,188,064 (NT\$0.7 per share). The above shareholders' bonus will be distributed in priority from the profit of year 2014. Such cash dividend shall be calculated according to the distribution proportion under NT\$ 1, for amount less than NT\$ 1 shall be truncated. For the total add-up amount of distributed amount for less than NT\$ 1, it is proposed that the Chairman be authorized to conduct adjustment.Upon the approval of the shareholders' meeting, it is proposed that the Chairman be authorized to resolve the



distribution record date and other relevant matters.

3. In the event that, before the distribution record date, the proposed dividend distribution ratio is affected and is required to be adjusted due to capital variations affecting the number of outstanding shares, it is proposed that the Chairman be fully authorized to handle such distribution.
4. Upon the approval of the shareholders' meeting, it is proposed that the Chairman be authorized to resolve the distribution record date and other relevant matters.

Voting Results: 6,444,483,221 shares were represented at the time of voting.

(Including 4,434,758,585 shares casted electronically)

Voting Condition	Voting rights	% of the total represented at the time of voting
Votes in favor	4,865,201,340	75.49%
Votes against	477,793	0.01%
Votes abstained	1,578,804,088	24.50%
Votes invalid	0	0.00%

RESOLVED, that the above proposal be and hereby was accepted as proposed

5. Discussion Items

- (1) **Proposals to conduct domestic capital increase by cash, to issue new shares by means of capital increase by cash for sponsoring issuance of GDR. Approval is respectfully requested.**

Explanation:

To respond to the change of whole operation environment in the future, to enrich working capital, to repay bank loans, to intensify the Company's financial structure, and to satisfy the Company's capital requirements for the long-term development, the Company proposes to conduct the fund-raising proposal within the limit of 0.95 billion (950,000,000) new shares through domestic capital increase by cash, offering of new shares by way of capital increase by cash for sponsoring issuance of GDR. It is proposed that the board of directors be authorized by the shareholders' meeting to conduct the forgoing fundraising at suitable time by selection of one or collocation of two or more projects, and in one or in several installments according to market situations and capital requirement status of the Company, and in accordance with Articles of Incorporation, the related laws & regulations and the handling principles set forth as below. The main contents are described as follows:

1. Offering price: According to relevant laws and regulations, the offering price shall be



set by no less than the closing price of the Company's ordinary shares on price determination date, 90% of the simple average closing price of the ordinary shares of the Company for either the one, three, or five business days before price determination date, after adjustment for any distribution of stock dividends (or ex-rights of capital reduction) and cash dividends; provided however, in case there is alternation to domestic related laws & regulations, the pricing method may also be adjusted pursuant to the laws and regulations. It is proposed that the board of directors to authorize the Chairperson or its designated person to negotiate with underwriter for the determination of actual offering price within the preceding scope.

2. To reserved for subscription by employees and original shareholders to forfeit their right to subscription to the remaining new shares: Except for 10% ~ 15% of new shares issued after capital increase reserved for subscription by employees of the Company based on the offering price in accordance with Article 267 the of Company Act, it is proposed that the shareholders' meeting to agree that the original shareholders will forfeit their right to subscription to the remaining new shares in accordance with Article 28-1 of Securities and Exchange Act, and all of the remaining new shares will be made public offering (domestic capital increase by cash) or/and to be offered to the public as the original securities for sponsoring issuance of GDR. The portion which employees had forfeited their rights to subscription or the portion left unsubscribed is proposed to authorize the Chairperson to negotiate with specific person(s) to subscribe or to be included in the original securities for sponsoring issuance of GDR based on market requirements.
3. The sales method of the public offering of domestic capital increase by cash: it is proposed to authorize the board of directors to select by either method of book-building or public subscription.
4. Impact to the interest of the original shareholders: In relation to this domestic capital increase by cash and issuance of new shares by means of capital increase by cash for sponsoring issuance of GDR, the price determination method shall be conducted according to the relevant laws and regulations within the country and issuance market practice, therefore, the price determination method shall be deemed reasonable and will not cuase major impact to the interest of the original shareholders. For common shares to be issued, if calculated under the limit of 0.95 billion shares, it is estimated that the new shares will be 9.54% of the common shares already issued by the Company and will not cause major dilution to the original shareholders' interest.
5. The reason and reasonability of issuing the share lower than par value due to the change of market rather than adopting other methods to raise the funds: In consideration of the steady operation and the safety of the financial structure of the Company, it is more appropriate to use the fundraising vehicle in relation to share rather than pure debt. By raising fund through domestic capital increase by cash, offering of new shares by way of capital increase by cash for sponsoring issuance of GDR, not only there will be no expense on interest, it also may reduce the financial risk, improve the financial structure, increase the flexibility of the Company's financial deploy, and benefits the long-term development of the Company. Also, there should be no adverse effect to the interest of the shareholders. Therefore, such fundraising vehicle in relation to shares should have its reasonability.
6. The funds raised from the issuance of common shares as a result of capital increase



by cash is proposed to be used in one or several purposes for replenishing the operational funds and repayment of bank loans, and it is expected to be performed completely within three years after the accomplishment of the fund-raising, the implementation of this plan can intensify the competitiveness of the Company, promote the operation efficiency, and then will have positive support to shareholders' equity.

7. It is proposed that shareholders' meeting to authorize the board of directors to adjust, make and deal with the major contents of plans in relation to the capital increase by cash, including actual number of issued shares, actual subscription proportion reserved for the employees, actual offering price, record date, offering conditions, plan items, amount of fund-raising, fund usage and scheduled progress, the anticipated and possible efficiency accrued and other matters related to offering procedures. In future if it is necessary to make change due to change of laws and regulations, requirement to revision from the competent authority, operation assessment or objective environment, the chairperson will be granted the full authorization to dispose of such matters.
8. Other than the above scope of authorization, it is proposed that the shareholders' meeting authorize the Chairperson or his designated person to approve and represent the Company to execute, negotiate, and change any and all related matters in relation to the issuance of securities.

Voting Results: 6,444,483,221 shares were represented at the time of voting

(Including 4,434,758,585 shares casted electronically)

Voting Condition	Voting rights	% of the total represented at the time of voting
Votes in favor	4,805,916,932	74.57%
Votes against	37,908,447	0.59%
Votes abstained	1,600,657,842	24.84%
Votes invalid	0	0.00%

RESOLVED, that the above proposal be and hereby was accepted as proposed.



(2) Amendments to “Articles of Incorporation” of the Company. Approval is respectfully requested.

Explanation:

1. In accordance with the establishment of the audit committee and the actual practice of the Company, it is proposed to amend “Articles of Incorporation” of the Company.
2. The comparative table is attached hereto as Attachment 5.

Voting Results: 6,444,483,221 shares were represented at the time of voting.

(Including 4,434,758,585 shares casted electronically)

Voting Condition	Voting rights	% of the total represented at the time of voting
Votes in favor	4,841,609,559	75.13%
Votes against	21,609,994	0.34%
Votes abstained	1,581,263,668	24.54%
Votes invalid	0	0.00%

RESOLVED, that the above proposal be and hereby was accepted as proposed.

(3) Amendments to “Rules of Shareholders’ Meeting” of the Company. Approval is respectfully requested.

Explanation:

1. In accordance with the establishment of the audit committee and the actual practice of the Company, it is proposed to amend “Rules of Shareholders’ Meeting” of the Company.
2. The comparative table is attached hereto as Attachment 6

Voting Results: 6,444,483,221 shares were represented at the time of voting.

(Including 4,434,758,585 shares casted electronically)

Voting Condition	Voting rights	% of the total represented at the time of voting
Votes in favor	4,865,335,756	75.50%
Votes against	312,943	0.00%
Votes abstained	1,578,834,522	24.50%
Votes invalid	0	0.00%

RESOLVED, that the above proposal be and hereby was accepted as proposed.



(4) Amendments to “Rules for Election of Directors and Supervisors” of the Company. Approval is respectfully requested.

Explanation:

1. In accordance with the establishment of the audit committee and the actual practice of the Company, it is proposed to amend “Rules for Election of Directors and Supervisors” of the Company.
2. The comparative table is attached hereto as Attachment 7

Voting Results: 6,444,483,221 shares were represented at the time of voting.

(Including 4,434,758,585 shares casted electronically)

Voting Condition	Voting rights	% of the total represented at the time of voting
Votes in favor	4,865,280,405	75.50%
Votes against	373,546	0.01%
Votes abstained	1,578,829,270	24.50%
Votes invalid	0	0.00%

RESOLVED, that the above proposal be and hereby was accepted as proposed.

6. Extraordinary Motions: No.

7. Adjourn Meeting: The meeting was adjourned at a.m. 09:26.

Attachment 1

INNOLUX CORPORATION

2014 Operating Report

Dear Shareholders,

Below are our 2014 business performance report and 2015 business plan summary:

1. Business Performance in 2013:

Year 2014 is the year of operation improvement and substantial result, our company's gross profit margin, operating profit margin, and net profit margin all reached their new high since merger, and the days of inventory turnover and the net gearing has come to its new low. The 153.2% net gearing for the second quarter 2012 during the debt negotiation has dropped to 27.2% at the end of 2014, which is remarkably improved and is better than that of those in the same industry; our financial status improvement plan has been successfully performed. The operating team and the employees of our company have made all-out effort and left no stone unturned all along the way.

In 2014, we continued to improve our operation status, to effectively integrate manpower, production capacity, and technique, to develop new products ahead of those in the same industry, and to successfully propel the strategy of product differentiation in order to establish our leading position of competitive advantage among the global panel industry. In 2014 our consolidated revenue was NT\$ 428.7 billion, which increased 1.40% by compared with the 2013 yearly revenue of NT\$ 422.7 billion mainly generated from mobile phones (MP) business development, full high definition products development, and the successful introduction of TOD (Touch On Display) products. The gross profit of year 2014 is NT\$ 50.3 billion and the gross profit margin of year 2014 is 11.7%, which is massively improved compared with NT\$ 37.7 billion and 8.9% for the year 2013. The net operating income of year 2014 is NT\$ 28.1 billion and the net operating income ratio of year 2014 is 6.6%, which is continuing to optimize compared with NT\$ 15.3 billion and 3.6% for the year 2013. The annual profit after tax is NT\$ 21.6 billion for year 2014, the annual earnings per share is NT\$ 2.31. Not only our yearly operational profit has reached new high after merger, but it also surpassed the same line of work in Taiwan, which demonstrated our resolutions to operate the Company and the results of turning the tide.

As for the research development and market segmentation, the continuous improvement and development of the technology has always been our company's long-term competition advantage. In year 2014, we are highly recognized by the market with outstanding growth for our products in the aspect of ultra high resolution, ultra thin, wide viewing angle, narrow frame, low power

consumption, wide color gamut, and LED backlight. Moreover, we continued to promote the size differentiation and introduced the whole new LCD TV panels in size 39 inches, 50 inches, 58 inches, 65inches, and panels in 4K2K ultra high resolution. Such products are highly preferred by the consumers. We therefore successfully set the products and specifications of the market, created products differentiation, and established our long-term competition advantages.

In view of the futuer, our operation tean and all of our employees will continue to endeavor, to concentrate, and to innovate for the best interest of our shareholders.

2. Summary of 2015 business plan

In view of the year 2015, the market still have brisk demand for display devices of high-end LED televisions and smart phones, and it will continue to develop in the trend of high resolution, ultra thin, wide viewing angle, and low power consumption. We will uphold our current guiding principle, and will concentrate on technique and products, automated production, strengthen our market and clients, establishment and leveling up our production capacity, quality and social responsibility, and placement strategy in order to adapt to effects of external competitive environment, legal environment, and the total economic environment. We will also endeavor to conduct vertical integration of our “streamlined “production in order to promote our overall competitiveness, to provide our clients with total solution to their needs, to inaugurate a win-win operation model for our clients, and to create greater value for all of our shareholders and employees.

(1) Quality refinement and technique promotion

A. To fortify quality

- The improvement key point is to promote the defect-free rate of our middle and small size products and to set up our goal for defect-free rate.

B. To level up our manufacturing process/product technology

- To reduce our cycle time of mass production.
- To level up our IPS production capacity and the technology of TOD.
- To increase the (FHD/HD) ratio of high resolution products.

(2) Continuing growth of middle and small size products

A. To expedite the speed from the development to mass production of our new products.

B. To continue the increase our market share.

(3) Tablet integration

By utilizing the method of bundle Sensor Glass and TFT business, we will fortify our touch total solution and to cooperate with our end brand customers.

(4) To increase automation

A. To continue to establish automatic production line and to promote our competition advantage.

B. While upgrading our equipment (from manual operation to automation), to lower the assembling labor-hour.

(5) To raise revenue, reduce expenditure, and control our costs.

In year 2015, the entire staff will also to fully devote themselves to work. Please continue to give us your support and encouragement. Lastly, I wish everyone a good health and the best of luck. Thank you.

President:

Manager :

Chief Accountant :

Attachment 2

INNOLUX CORPORATION

Supervisors' Audit Report

The Board of Directors has duly submitted the 2014 operating report, financial statements, and table of profit distribution. The financial statements has been duly reviewed and approved by CPA Mr. Wu Han-Chi and CPA Mr. Hsu Sheng Chung of PwC Taiwan with the issuance of Auditor's Report.

I, as the supervisor of the Company, have completed the audit and review, and had found nothing inconsistent with any of the above operating report, financial statements, and table of profit distribution. Therefore, I issue this audit report for acknowledgment in accordance with Article 219 of the Company Act.

To

General Shareholders Meeting of the Company in 2015

Supervisor: Lin, Ren-Guang

Date: April 28, 2015

INNOLUX CORPORATION

Supervisors' Audit Report

The Board of Directors has duly submitted the 2014 operating report, financial statements, and table of profit distribution. The financial statements has been duly reviewed and approved by CPA Mr. Wu Han-Chi and CPA Mr. Hsu Sheng Chung of PwC Taiwan with the issuance of Auditor's Report.

I, as the supervisor of the Company, have completed the audit and review, and had found nothing inconsistent with any of the above operating report, financial statements, and table of profit distribution. Therefore, I issue this audit report for acknowledgment in accordance with Article 219 of the Company Act.

To

General Shareholders Meeting of the Company in 2015

Supervisor: Chen, Yi-Fang

Date: April 28, 2015

INNOLUX CORPORATION

Supervisors' Audit Report

The Board of Directors has duly submitted the 2014 operating report, financial statements, and table of profit distribution. The financial statements has been duly reviewed and approved by CPA Mr. Wu Han-Chi and CPA Mr. Hsu Sheng Chung of PwC Taiwan with the issuance of Auditor's Report.

I, as the supervisor of the Company, have completed the audit and review, and had found nothing inconsistent with any of the above operating report, financial statements, and table of profit distribution. Therefore, I issue this audit report for acknowledgment in accordance with Article 219 of the Company Act.

To

General Shareholders Meeting of the Company in 2015

Supervisor: I-Chen Investment Ltd.
Representative: Huang , Te-Tsai

Date: April 28, 2015

Attachment 3

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Stockholders of Innolux Corporation:

We have audited the accompanying consolidated balance sheets of Innolux Corporation and its subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of certain consolidated subsidiaries and investments accounted for under equity method for the year ended December 31, 2013. Those statements reflect NT\$5,130,451,000, constituting 1% of the consolidated total assets as of December 31, 2013, and total operating revenues was NT\$0 for the year then ended. Those financial statements and the information disclosed in Note 13 were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein is based solely on the audit reports of the other independent accountants.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other independent accountants provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other independent accountants, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Innolux Corporation and subsidiaries as of December 31, 2014 and 2013, and their financial performance and cash flows for the years then ended in conformity with the "Regulations Governing the Preparations of Financial Statements by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Innolux Corporation and its subsidiaries' current liabilities have exceeded its current assets by NT\$9,754,686,000 as of December 31, 2014. As set forth in Note 12(4), management has designed a turnaround plan to improve the Company's operating efficiency.

We have also audited the separate financial statements of Innolux Corporation as of and for the years ended December 31, 2014 and 2013, and have expressed an unqualified opinion on such financial statements.

PricewaterhouseCoopers, Taiwan
February 10, 2015

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	2014	2013
Current assets			
Cash and cash equivalents	6(1)	\$ 70,989,741	\$ 44,137,818
Financial assets at fair value through profit or loss - current	6(2)	52,453	227,703
Available-for-sale financial assets - current	6(3)	220,000	-
Accounts receivable, net	6(5)	70,976,005	66,358,291
Accounts receivable, net - related parties	7	6,112,400	2,049,985
Other receivables	7	2,849,589	4,255,683
Inventory	6(6)	33,787,842	50,524,156
Prepayments		1,441,603	1,194,871
Other financial assets - current	8	2,284,870	2,544,567
Other current assets		666,309	408,895
Total current assets		189,380,812	171,701,969
Non-current assets			
Financial assets at fair value through profit or loss - non-current	6(2)	605,155	712,603
Available-for-sale financial assets - non-current	6(3)	5,137,117	3,952,530
Investments accounted for under equity method	6(7)	2,364,225	4,919,134
Property, plant and equipment	6(8), 7 and 8	233,609,843	273,505,759
Investment property, net	6(9)	693,677	706,850
Intangible assets	6(10)	20,219,137	21,214,994
Deferred income tax assets	6(25)	17,778,516	18,123,869
Other financial assets - non-current	8	11,160,082	12,327,722
Other non-current assets		1,567,991	1,035,455
Total non-current assets		293,135,743	336,498,916
Total assets		\$ 482,516,555	\$ 508,200,885

(Continued)

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	2014	2013
Current liabilities			
Short-term borrowings	6(11)	\$ 22,526,999	\$ 31,179,767
Financial liabilities at fair value through profit or loss - current	6(2)	605,016	689,097
Derivative financial liabilities for hedging - current	6(4)	1,351	-
Accounts payable		74,954,439	65,435,586
Accounts payable - related parties	7	5,252,946	8,756,243
Other payables	7	23,912,180	20,715,595
Current income tax liabilities		582,258	454,482
Provisions - current	6(15)	3,133,489	1,949,029
Long-term liabilities, current portion	6(12)	66,162,663	169,097,708
Other current liabilities		2,004,157	2,309,244
Total current liabilities		199,135,498	300,586,751
Non-current liabilities			
Derivative financial liabilities for hedging - non-current	6(4)	-	21,918
Long-term borrowings	6(12)	42,293,423	-
Deferred income tax liabilities	6(25)	477,580	909,708
Other non-current liabilities	9	11,438,618	12,104,654
Total non-current liabilities		54,209,621	13,036,280
Total liabilities		253,345,119	313,623,031
Equity attributable to owners of the parent			
Share capital - common stock	6(16)	99,545,364	91,094,288
Capital surplus	6(17)	99,584,369	96,058,741
Retained earnings	6(18)		
Legal reserve		509,272	2,328,981
Special reserve		1,144,229	-
Unappropriated retained earnings		24,979,173	5,092,716
Other equity interest	6(19)	1,927,656	(1,531,497)
Equity attributable to owners of the parent		227,690,063	193,043,229
Non-controlling interest		1,481,373	1,534,625
Total equity		229,171,436	194,577,854
Significant contingent liabilities and unrecognized contract commitments	9		
Significant events after the balance sheet date	6(12)(16) and 11		
Total liabilities and equity		\$ 482,516,555	\$ 508,200,885

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated February 10, 2015.

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

Items	Notes	2014	2013
Sales revenue	7	\$ 428,661,898	\$ 422,730,500
Operating costs	6(6)(23)(24) and 7	(378,276,897)	(384,971,385)
Net operating margin		<u>50,385,001</u>	<u>37,759,115</u>
Operating expenses	6(23)(24)		
Selling expenses		(3,224,079)	(2,974,223)
General and administrative expenses		(6,810,443)	(7,169,974)
Research and development expenses		(12,177,083)	(12,265,650)
Total operating expenses		<u>(22,211,605)</u>	<u>(22,409,847)</u>
Operating profit		<u>28,173,396</u>	<u>15,349,268</u>
Non-operating income and expenses			
Other income	6(20)	2,734,952	2,627,868
Other gains and losses	6(21)	(5,130,475)	(7,166,774)
Finance costs	6(22)	(3,309,347)	(5,103,230)
Share of profit/(loss) of associates and joint ventures accounted for under equity method		<u>65,814</u>	<u>(63,779)</u>
Total non-operating income and expenses		<u>(5,639,056)</u>	<u>(9,705,915)</u>
Profit before income tax		<u>22,534,340</u>	<u>5,643,353</u>
Income tax expense	6(25)	(857,432)	(548,334)
Profit for the year		<u>\$ 21,676,908</u>	<u>\$ 5,095,019</u>
Other comprehensive income (net)			
Financial statements translation differences of foreign operations		\$ 3,078,767	\$ 2,712,774
Unrealized gain on valuation of available-for-sale financial assets	6(3)	284,946	16,772
Cash flow hedges	6(4)	(278,458)	79,477
Actuarial loss on defined benefit plan	6(13)	(55,790)	(11,870)
Share of other comprehensive income of associates and joint ventures accounted for under equity method		<u>81,659</u>	<u>36,122</u>
Income tax relating to the components of other comprehensive income	6(25)	<u>48,369</u>	<u>26,242</u>
Other comprehensive income for the year, net of tax		<u>\$ 3,159,493</u>	<u>\$ 2,859,517</u>
Total comprehensive income for the year		<u>\$ 24,836,401</u>	<u>\$ 7,954,536</u>
Profit attributable to:			
Owners of the parent		\$ 21,676,759	\$ 5,102,568
Non-controlling interest		<u>149</u>	<u>(7,549)</u>
Total		<u>\$ 21,676,908</u>	<u>\$ 5,095,019</u>
Other comprehensive income attributable to:			
Owners of the parent		\$ 24,844,853	\$ 7,953,076
Non-controlling interest		<u>(8,452)</u>	<u>1,460</u>
Total		<u>\$ 24,836,401</u>	<u>\$ 7,954,536</u>
Earnings per share (in dollars)	6(26)		
Basic earnings per share		<u>\$ 2.31</u>	<u>\$ 0.57</u>
Diluted earnings per share		<u>\$ 2.28</u>	<u>\$ 0.57</u>

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated February 10, 2015.

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Equity attributable to owners of the parent													
		Retained Earnings					Other equity interest						
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Financial statements translation differences of foreign operations	Unrealized gain (loss) on available-for-sale financial assets	Changes in gain (loss) on cash flow hedge	Employee unearned compensation	Total	Non-controlling interest	Total
<u>2013</u>													
Balance at January 1, 2013		\$ 79,129,708	\$ 119,677,980	\$ 2,328,981	\$ -	(\$ 27,308,220)	(\$ 2,818,705)	(\$ 1,609,513)	\$ 423,629	\$ -	\$ 169,823,860	\$ 1,533,165	\$ 171,357,025
Capital surplus offset against accumulated deficit		-	(27,308,220)	-	-	27,308,220	-	-	-	-	-	-	-
Global depositary receipt issued for cash	6(16)	11,250,000	3,269,051	-	-	-	-	-	-	-	14,519,051	-	14,519,051
Issuance of restricted stock to employees	6(14)	725,260	187,212	-	-	-	-	-	-	(754,166)	158,306	-	158,306
Cancellation of restricted stock to employees		(10,680)	10,680	-	-	-	-	-	-	-	-	-	-
Compensation related to share-based payment	6(14)	-	189,976	-	-	-	-	-	-	366,898	556,874	-	556,874
Changes in net equity of long-term equity investments		-	32,062	-	-	-	-	-	-	-	32,062	-	32,062
Profit for the year		-	-	-	-	5,102,568	-	-	-	-	5,102,568	(7,549)	5,095,019
Other comprehensive income for the year	6(19)	-	-	-	-	(9,852)	2,740,631	65,168	54,561	-	2,850,508	9,009	2,859,517
Balance at December 31, 2013		<u>\$ 91,094,288</u>	<u>\$ 96,058,741</u>	<u>\$ 2,328,981</u>	<u>\$ -</u>	<u>\$ 5,092,716</u>	<u>(\$ 78,074)</u>	<u>(\$ 1,544,345)</u>	<u>\$ 478,190</u>	<u>(\$ 387,268)</u>	<u>\$ 193,043,229</u>	<u>\$ 1,534,625</u>	<u>\$ 194,577,854</u>
<u>2014</u>													
Balance at January 1, 2014		\$ 91,094,288	\$ 96,058,741	\$ 2,328,981	\$ -	\$ 5,092,716	(\$ 78,074)	(\$ 1,544,345)	\$ 478,190	(\$387,268)	\$ 193,043,229	\$ 1,534,625	\$ 194,577,854
Capital issued for cash	6(16)	8,500,000	2,125,000	-	-	-	-	-	-	-	10,625,000	-	10,625,000
Appropriations of 2013 earnings:	6(18)												
Legal reserve		-	-	509,272	-	(509,272)	-	-	-	-	-	-	-
Special reserve		-	-	-	1,144,229	(1,144,229)	-	-	-	-	-	-	-
Cash dividends		-	-	-	-	(90,495)	-	-	-	-	(90,495)	-	(90,495)
Cash paid from capital surplus	6(18)	-	(1,266,944)	-	-	-	-	-	-	-	(1,266,944)	-	(1,266,944)
Capital surplus offset against accumulated deficit	6(18)	-	2,328,981	(2,328,981)	-	-	-	-	-	-	-	-	-
Cancellation of restricted stock to employee		(48,924)	48,924	-	-	-	-	-	-	-	-	-	-
Changes in restricted stock to employees		-	47,174	-	-	-	-	-	-	(43,951)	3,223	-	3,223
Compensation related to share-based payment	6(14)	-	289,523	-	-	-	-	-	-	288,704	578,227	-	578,227
Changes in net equity of long-term equity investments		-	(47,030)	-	-	-	-	-	-	-	(47,030)	-	(47,030)
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(44,800)	(44,800)
Profit for the year		-	-	-	-	21,676,759	-	-	-	-	21,676,759	149	21,676,908
Other comprehensive income for the year	6(19)	-	-	-	-	(46,306)	3,161,022	284,498	(231,120)	-	3,168,094	(8,601)	3,159,493
Balance at December 31, 2014		<u>\$ 99,545,364</u>	<u>\$ 99,584,369</u>	<u>\$ 509,272</u>	<u>\$ 1,144,229</u>	<u>\$ 24,979,173</u>	<u>\$ 3,082,948</u>	<u>(\$ 1,259,847)</u>	<u>\$ 247,070</u>	<u>(\$ 142,515)</u>	<u>\$ 227,690,063</u>	<u>\$ 1,481,373</u>	<u>\$ 229,171,436</u>

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated February 10, 2015.

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	Notes	2014	2013
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Consolidated profit before tax for the year		\$ 22,534,340	\$ 5,643,353
Adjustments to reconcile net income to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Depreciation and amortization	6(23)	60,899,556	77,851,438
Compensation related to share-based payment	6(24)	578,227	556,874
Provision for doubtful accounts	6(5)	820	453
Share of profit (loss) of associates and joint ventures accounted for under equity method		(65,814)	63,779
Gain from disposal of investments	6(21)	(794,041)	(1,977,799)
Loss on disposal of property, plant and equipment	6(21)	179,758	138,658
Impairment loss	6(21)	351,066	921,828
Interest expense	6(22)	3,586,581	5,051,960
Interest income	6(20)	(328,633)	(293,741)
Dividend income		(39,958)	(58,897)
Unrealized foreign exchange loss (gain)		1,417,004	(310,450)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets /liabilities at fair value through profit or loss		198,617	(1,275,676)
Accounts receivable		(4,618,534)	8,336,807
Accounts receivable - related parties		(4,062,415)	6,500,243
Other receivables		(1,047,816)	734,595
Inventories		16,736,314	(8,456,587)
Prepayments		(246,732)	(226,676)
Other current assets		(257,414)	(123,046)
Net changes in liabilities relating to operating activities			
Derivative financial liabilities for hedging		(299,025)	(399,357)
Accounts payable		9,518,853	(16,066,134)
Accounts payable - related parties		(3,503,297)	(4,958,074)
Other payables		4,070,494	749,050
Provisions - current		1,184,460	814,253
Other current liabilities		(290,486)	513,119
Other non-current liabilities		(721,826)	3,133,498
Cash generated from operations		104,980,099	76,863,471
Cash paid for income tax		(768,062)	(974,312)
Net cash provided by operating activities		104,212,037	75,889,159

(Continued)

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	Notes	2014	2013
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of available-for-sale financial assets		(\$ 240,167)	(\$ 916,909)
Proceeds from disposal of available-for-sale financial assets		802,524	3,963,684
Proceeds from disposal of financial assets carried at cost - non-current		-	192,758
Proceeds from disposal of non-current assets held for sale		-	279,312
Acquisition of investment accounted for under equity method		(73,500)	-
Proceeds from disposal of investment accounted for under equity method		1,685,201	136,185
Proceeds from capital reduction of investments accounted for under equity method		59,451	-
Decrease in other financial assets		464,337	941,407
Acquisition of property, plant and equipment	6(27)	(20,526,552)	(18,370,343)
Proceeds from disposal of property, plant and equipment	6(27)	4,253,209	1,174,898
Acquisition of intangible assets		(18,140)	(157,781)
(Increase) decrease in other non-current assets		(22,070)	29,586
Interest received		368,335	364,391
Dividends received		64,221	201,765
Net cash used in investing activities		(13,183,151)	(12,161,047)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings		(8,881,219)	(14,499,547)
Decrease in short-term notes and bills payable		-	(699,430)
Payment of long-term borrowings		(61,671,395)	(51,589,030)
Payment of bonds payable		-	(2,000,000)
Decrease in accrued lease payments		-	(980,000)
Stock issued for cash	6(16)	10,625,000	14,519,051
Cash dividends paid	6(18)	(90,495)	-
Cash paid from capital surplus		(1,266,944)	-
Proceeds from issuance of restricted stock to employees	6(14)	-	181,315
Repurchase from issuance of restricted stock to employees		(7,754)	(8,260)
Changes in non-controlling interests		(44,800)	-
Interest paid		(3,608,923)	(5,586,134)
Net cash used in financing activities		(64,946,530)	(60,662,035)
Effect of changes in foreign currency exchange		769,567	173,764
Increase in cash and cash equivalents		26,851,923	3,239,841
Cash and cash equivalents at beginning of year		44,137,818	40,897,977
Cash and cash equivalents at end of year		<u>\$ 70,989,741</u>	<u>\$ 44,137,818</u>

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated February 10, 2015.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Stockholders of Innolux Corporation

We have audited the accompanying parent company only balance sheets of Innolux Corporation as of December 31, 2014 and 2013, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended. These parent company only financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these parent company only financial statements based on our audits. We did not audit the financial statements of certain investments accounted for under equity method for the year ended December 31, 2013. The long-term equity investments amounted to NT\$2,618,196,000 as of December 31, 2013, and the comprehensive income (including share of profit (loss) of subsidiaries, associates and joint ventures accounted for using equity method and share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method) was NT\$451,716,000 for the year then ended. Those financial statements and the information disclosed in Note 13 were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein is based solely on the audit reports of the other independent accountants.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other independent accountants provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other independent accountants, the parent company only financial statements referred to above present fairly, in all material respects, the financial position of Innolux Corporation as of December 31, 2014 and 2013, and their financial performance and cash flows for the years then ended in conformity with the "Regulations Governing the Preparations of Financial Statements by Securities Issuers".

Innolux Corporation's current liabilities have exceeded its current assets by NT\$42,313,979,000 as of December 31, 2014. As set forth in Note 12(4), management has designed a turnaround plan to improve the Company's operating efficiency.

PricewaterhouseCoopers, Taiwan

February 10, 2015

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

INNOLUX CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	2014	2013
Current assets			
Cash and cash equivalents	6(1)	\$ 55,543,195	\$ 27,604,892
Financial assets at fair value through profit or loss - current	6(2)	52,453	227,703
Available-for-sale financial assets - current	6(3)	220,000	-
Accounts receivable, net	6(5)	68,858,149	63,763,265
Accounts receivable, net - related parties	7	6,067,658	2,409,842
Other receivables		699,592	609,036
Other receivables - related parties	7	691,024	787,951
Inventory	6(6)	27,938,165	39,510,209
Prepayments		542,334	849,108
Other financial assets - current	8	2,250,035	2,485,841
Other current assets		12,542	26,684
Total current assets		162,875,147	138,274,531
Non-current assets			
Available-for-sale financial assets - non-current	6(3)	3,101,461	1,824,122
Investments accounted for under equity method	6(7)	73,096,389	67,860,212
Property, plant and equipment	6(8), 7 and 8	192,599,182	233,557,614
Investment property, net	6(9)	693,677	706,850
Intangible assets	6(10)	20,127,184	21,114,443
Deferred income tax assets	6(25)	17,575,426	17,835,399
Other financial assets - non-current	8	11,160,082	12,327,722
Other non-current assets		625,863	57,553
Total non-current assets		318,979,264	355,283,915
Total assets		\$ 481,854,411	\$ 493,558,446

(Continued)

INNOLUX CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	2014	2013
Current liabilities			
Short-term borrowings	6(11)	\$ 1,300,000	\$ 1,943,565
Financial liabilities at fair value through profit or loss - current	6(2)	605,016	689,097
Derivative financial liabilities for hedging - current	6(4)	1,351	-
Accounts payable		33,731,780	29,023,925
Accounts payable - related parties	7	85,171,012	81,977,746
Other payables	7 and 9	18,688,940	15,090,951
Provisions - current	6(15)	3,133,489	1,949,029
Long-term liabilities, current portion	6(12)	61,092,333	155,569,218
Other current liabilities		1,465,205	1,170,242
Total current liabilities		<u>205,189,126</u>	<u>287,413,773</u>
Non-current liabilities			
Derivative financial liabilities for hedging - non-current	6(4)	-	21,918
Long-term borrowings	6(12)	37,223,093	-
Deferred income tax liabilities	6(25)	477,579	909,708
Other non-current liabilities	6(13) and 9	11,274,550	12,169,818
Total non-current liabilities		<u>48,975,222</u>	<u>13,101,444</u>
Total liabilities		<u>254,164,348</u>	<u>300,515,217</u>
Equity			
Share capital - common stock	6(16)	99,545,364	91,094,288
Capital surplus	6(14)(17)	99,584,369	96,058,741
Retained earnings	6(18)		
Legal reserve		509,272	2,328,981
Special reserve		1,144,229	-
Unappropriated retained earnings		24,979,173	5,092,716
Other equity interest	6(19)	1,927,656	(1,531,497)
Total equity		<u>227,690,063</u>	<u>193,043,229</u>
Significant contingent liabilities and unrecognized contract commitments	9		
Significant events after the balance sheet date	6(12)(16) and 11		
Total liabilities and equity		<u>\$ 481,854,411</u>	<u>\$ 493,558,446</u>

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated February 10, 2015.

INNOLUX CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

Items	Notes	2014	2013
Sales revenue	7	\$ 426,005,033	\$ 419,738,269
Operating costs	6(6)(23)(24) and 7	(389,609,785)	(392,206,451)
Net operating margin		36,395,248	27,531,818
Operating expenses	6(23)(24)		
Selling expenses		(1,092,207)	(1,105,609)
General and administrative expenses		(3,451,341)	(3,997,111)
Research and development expenses		(11,412,260)	(11,128,979)
Total operating expenses		(15,955,808)	(16,231,699)
Operating profit		20,439,440	11,300,119
Non-operating income and expenses			
Other income	6(20)	1,379,919	1,222,075
Other gains and losses	6(21)	(3,418,822)	(8,950,438)
Finance costs	6(22)	(2,721,239)	(4,369,834)
Share of profit of subsidiaries and associates accounted for under equity method		5,998,536	5,233,229
Total non-operating income and expenses		1,238,394	(6,864,968)
Profit before income tax		21,677,834	4,435,151
Income tax expense	6(25)	(1,075)	667,417
Profit for the year		\$ 21,676,759	\$ 5,102,568
Other comprehensive income			
Financial statements translation differences of foreign operations		\$ 3,087,368	\$ 2,703,765
Unrealized gain (loss) on valuation of available-for-sale financial assets	6(3)	103,510	(223,008)
Cash flow hedges	6(4)	(278,458)	79,477
Actuarial loss on defined benefit plan	6(13)	(55,790)	(11,870)
Share of other comprehensive income of associates and joint ventures accounted for under equity method		263,095	275,902
Income tax relating to the components of other comprehensive income	6(25)	48,369	26,242
Other comprehensive income for the year, net of tax		\$ 3,168,094	\$ 2,850,508
Total comprehensive income for the year		\$ 24,844,853	\$ 7,953,076
Earnings per share (in dollars)	6(26)		
Basic earnings per share		\$ 2.31	\$ 0.57
Diluted earnings per share		\$ 2.28	\$ 0.57

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated February 10, 2015.

INNOLUX CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

		Retained Earnings					Other equity interest					
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Financial statements translation differences of foreign operations	Unrealized gain (loss) on available-for-sale financial assets	Changes in gain (loss) on cash flow hedge	Employee unearned compensation	Total	
2013												
		\$ 79,129,708	\$ 119,677,980	\$ 2,328,981	\$ -	(\$ 27,308,220)	(\$ 2,818,705)	(\$ 1,609,513)	\$ 423,629	\$ -	\$ 169,823,860	
		-	(27,308,220)	-	-	27,308,220	-	-	-	-	-	
Global depositary receipt issued for cash	6(16)	11,250,000	3,269,051	-	-	-	-	-	-	-	14,519,051	
Issuance of restricted stock to employees	6(14)	725,260	187,212	-	-	-	-	-	-	(754,166)	158,306	
Cancellation of restricted stock to employees		(10,680)	10,680	-	-	-	-	-	-	-	-	
Compensation related to share-based payment	6(14)	-	189,976	-	-	-	-	-	-	366,898	556,874	
Changes in net equity of long-term equity investments		-	32,062	-	-	-	-	-	-	-	32,062	
Profit for the year		-	-	-	-	5,102,568	-	-	-	-	5,102,568	
Other comprehensive income for the year	6(19)	-	-	-	-	(9,852)	2,740,631	65,168	54,561	-	2,850,508	
Balance at December 31, 2013		<u>\$ 91,094,288</u>	<u>\$ 96,058,741</u>	<u>\$ 2,328,981</u>	<u>\$ -</u>	<u>\$ 5,092,716</u>	<u>(\$ 78,074)</u>	<u>(\$ 1,544,345)</u>	<u>\$ 478,190</u>	<u>(\$ 387,268)</u>	<u>\$ 193,043,229</u>	
2014												
		\$ 91,094,288	\$ 96,058,741	\$ 2,328,981	\$ -	\$ 5,092,716	(\$ 78,074)	(\$ 1,544,345)	\$ 478,190	(\$ 387,268)	\$ 193,043,229	
Capital issued for cash	6(16)	8,500,000	2,125,000	-	-	-	-	-	-	-	10,625,000	
Appropriations of 2013 earnings:	6(18)											
Legal reserve		-	-	509,272	-	(509,272)	-	-	-	-	-	
Special reserve		-	-	-	1,144,229	(1,144,229)	-	-	-	-	-	
Cash dividends		-	-	-	-	(90,495)	-	-	-	-	(90,495)	
Cash paid from capital surplus	6(18)	-	(1,266,944)	-	-	-	-	-	-	-	(1,266,944)	
Capital surplus offset against accumulated deficit	6(18)	-	2,328,981	(2,328,981)	-	-	-	-	-	-	-	
Cancellation of restricted stock to employees		(48,924)	48,924	-	-	-	-	-	-	-	-	
Changes in restricted stock to employees		-	47,174	-	-	-	-	-	-	(43,951)	3,223	
Compensation related to share-based payment	6(14)	-	289,523	-	-	-	-	-	-	288,704	578,227	
Changes in net equity of long-term equity investments		-	(47,030)	-	-	-	-	-	-	-	(47,030)	
Profit for the year		-	-	-	-	21,676,759	-	-	-	-	21,676,759	
Other comprehensive income for the year	6(19)	-	-	-	-	(46,306)	3,161,022	284,498	(231,120)	-	3,168,094	
Balance at December 31, 2014		<u>\$ 99,545,364</u>	<u>\$ 99,584,369</u>	<u>\$ 509,272</u>	<u>\$ 1,144,229</u>	<u>\$ 24,979,173</u>	<u>\$ 3,082,948</u>	<u>(\$ 1,259,847)</u>	<u>\$ 247,070</u>	<u>(\$ 142,515)</u>	<u>\$ 227,690,063</u>	

Employees' bonus and directors' and supervisors' remuneration accrued at \$172,217 and \$4,004 had been deducted from the statement of comprehensive income for the year ended December 31, 2013.

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated February 10, 2015.

INNOLUX CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	Notes	2014	2013
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax for the year		\$ 21,677,834	\$ 4,435,151
Adjustments to reconcile net income to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Depreciation and amortization	6(23)	56,134,539	71,068,428
Compensation related to share-based payment	6(14)	578,227	556,874
Share of profit of subsidiaries and associates accounted for under equity method		(5,998,536)	(5,233,229)
Gain from disposal of investments	6(21)	(452,613)	(18,366)
Impairment loss	6(21)	-	204,721
(Gain) loss on disposal of property, plant and equipment	6(21)	(22,568)	6,065
Interest income	6(20)	(126,493)	(112,782)
Dividend income	6(20)	(7,567)	(43,822)
Interest expense	6(22)	2,998,473	4,318,564
Unrealized foreign exchange loss (gain)	6(21)	1,188,553	(468,215)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets /liabilities at fair value through profit or loss		91,169	(706,193)
Accounts receivable		(5,094,884)	5,437,335
Accounts receivable - related parties		(3,657,816)	10,145,135
Other receivables		(89,561)	194,789
Inventories		11,572,044	(4,133,091)
Prepayments		306,774	(580,008)
Other current assets		14,142	(9,872)
Net changes in liabilities relating to operating activities			
Derivative financial liabilities for hedging		(299,025)	(290,235)
Accounts payable		4,707,855	(22,695,791)
Accounts payable - related parties		3,193,266	(7,322,352)
Other payables		4,125,260	(8,943,611)
Provisions - current		1,184,460	814,253
Other current liabilities		309,564	(248,257)
Other non-current liabilities		(951,067)	3,361,094
Cash generated from operations		91,382,030	49,736,585
Cash paid for income tax		(1,075)	-
Net cash provided by operating activities		91,380,955	49,736,585

(Continued)

INNOLUX CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	Notes	2014	2013
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Decrease in other receivables - related parties		\$ 96,927	\$ 547,891
Acquisition of available-for-sale financial assets		(135,456)	(292,854)
Proceeds from disposal of available-for-sale financial assets		167,288	201,107
Proceeds from disposal of financial assets carried at cost - non-current		-	192,758
Acquisition of investment accounted for under equity method		(753,906)	(1,381,019)
Proceeds from disposal of investment accounted for under equity method		1,550,113	3,557
Proceeds from capital reduction of investments accounted for under equity method		736,214	3,278,146
Acquisition of property, plant and equipment	6(27)	(14,629,033)	(16,072,136)
Decrease in other financial assets		440,446	877,470
Proceeds from disposal of property, plant and equipment		12,761	111,287
Increase in other non-current assets		(568,172)	(13,819)
Interest received		125,498	113,894
Dividends received		1,444,112	5,859,537
Net cash used in investing activities		(11,513,208)	(6,574,181)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term borrowings		(643,565)	1,943,565
Decrease in short-term notes and bills payable		-	(699,430)
Payment of long-term borrowings		(57,625,650)	(49,210,951)
Payment of bonds payable		-	(2,000,000)
Decrease in accrued lease payments		-	(980,000)
Stock issued for cash	6(16)	10,625,000	14,519,051
Cash dividends paid		(90,495)	-
Cash paid from capital surplus		(1,266,944)	-
Proceeds from issuance of restricted stock to employees	6(14)	-	181,315
Repurchase from issuance of restricted stock to employees		(7,754)	(8,260)
Interest paid		(2,920,036)	(4,239,118)
Net cash used in financing activities		(51,929,444)	(40,493,828)
Increase in cash and cash equivalents		27,938,303	2,668,576
Cash and cash equivalents at beginning of year		27,604,892	24,936,316
Cash and cash equivalents at end of year		<u>\$ 55,543,195</u>	<u>\$ 27,604,892</u>

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated February 10, 2015.

Attachment 4

INNOLUX CORPORATION 2014 Profit Distribution Table

Unit: NT\$

Item	Amount	Explanation
Accumulated retained earning at the start of the year	3,348,719,457	
Adjusted retained earnings of year 2014	(46,305,843)	Note 3
Adjusted undistributed retained earnings	3,302,413,614	
Profit after tax of Year 2014	21,676,759,219	
Minus: Legal reserve	(2,167,675,922)	
Plus: Reversal of special reserve	1,144,228,508	
Profit distributable	23,955,725,419	
Distribution Item		
Cash dividends to shareholders	6,947,188,064	To distribute NT\$ 0.7 per share
Subtotal of dividends to shareholders	6,947,188,064	
Unappropriated retained earnings to date	17,008,537,355	

Note 1 : To distribute profit of year 2014 in priority in accordance with the Articles of Incorporation of the Company and the Shareholders' Meeting.

Note 2: In considering the related rules prescribed under the Articles of Incorporation and to encourage our employee, it is proposed to distribute employee bonus of year 2014 at the amount of NT\$ 1,436,186,891 and remuneration of the directors and supervisors of year 2014 at the amount of NT\$ 6,954,142, the total distributed amount has a difference of NT\$ 6,954,142 between the estimated listed expenses of the year of 2014. Such difference will be handled by changes in accounting estimate and will be listed as the expense of the year of 2015 after such proposal has been passed and resolved by the shareholders meeting.

Note 3: The number of adjusted retained earnings of year 2014 is the defined retirement benefit plan actuarial loss.

Chairman:

General Manager:

Senior Accountant:

Attachment 5

Comparative table for Amendments to Articles of Incorporation

Article No.	The Current Article	The Amended Article	Reasons for Amendment
Article 4-2	If the Company proposes to issue employee stock option at a price less than market price, such issuance shall be in accordance with “Regulations Governing the Offering and Issuance of Securities by Securities Issuers” and shall be adopted by a resolution of shareholders’ meeting.	For the issuance of employee stock option of the Company at a price less than market price, such issuance shall be in accordance with “Regulations Governing the Offering and Issuance of Securities by Securities Issuers” and shall be adopted by a resolution of shareholders’ meeting	Revise according to the Company’s practice.
Article 4-3	If the Company proposes to transfer the buyback shares to its employees at a price less than average price of actual buyback price, such transfer shall be in accordance with related regulations and shall be adopted by a resolution of its latest shareholders’ meeting.	If the Company transfers the buyback shares to its employees at a price less than average price of actual buyback price, such transfer shall be in accordance with related regulations and shall be adopted by a resolution of its latest shareholders’ meeting.	Revise according to the Company’s practice.
Article 6	The shares of the Company shall be in registered form, serially numbered, shall be affixed with the signatures or personal seals of three or more directors, and shall be duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance thereof. Also, the Company may be exempted from printing any share certificate for the shares issued, but shall appoint a centralized securities custody enterprise/institution to make recordation of the issue of such shares.	The shares of the Company shall be in registered form, serially numbered, shall be affixed with the signatures or personal seals of three or more directors, and shall be duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance thereof. The Company may be exempted from printing any share certificate for the shares issued, but shall appoint a centralized securities custody enterprise/institution to make recordation of the issue of such shares.	Revise according to the Company’s practice.
Article 12	The Company shall have five to seven directors and two to three supervisors for a term of three years. The candidates nomination system is adopted by the Company, the directors and supervisor shall be elected by shareholders’ meeting from the roster of candidates, and he/she may be eligible for re-election. The number of directors and supervisors shall be decided by the board of directors. (No amendment to the content , omitted)	The Company shall have five to <u>nine</u> directors and two to three supervisors for a term of three years, <u>and directors and supervisors may be eligible for re-election.</u> The candidates nomination system is adopted by the Company, the directors and supervisor shall be elected by shareholders’ meeting from the roster of candidates. The number of directors and supervisors shall be decided by the board of directors. (No amendment to the content , omitted)	Revise according to the establishment of audit committee
Article 12-1	In accordance with Article 14-2 & 183 of Securities and Exchange Act, among of the number of directors above, at least two of which shall be independent directors, and not less than one-fifth of the total number of directors. In case a candidates nomination system is adopted, the shareholders’ meeting shall elect the directors from among the nominees listed in the roster of director candidates.	<u>Pursuant to</u> Article 14-2 of Securities and Exchange Act, among of the number of directors above, at least <u>three</u> of which shall be independent directors, and not less than one-fifth of the total number of directors. In case a candidates nomination system is adopted, the shareholders’ meeting shall elect the directors from among the nominees listed in the roster of director candidates.	Revise according to the establishment of audit committee

Article No.	The Current Article	The Amended Article	Reasons for Amendment
Paragraph 2 and 3 of Article 17	New Added.	<u>After the term of office of our Company's directors and supervisors elected in year 2013 is expired and re-elected, pursuant to Article 14-4 of the Securities and Exchange Act, an audit committee is established to replace supervisors. The audit committee or the members of the audit committee will be responsible to perform the duties of the supervisors set forth under the Company Act, the Securities and Exchange Act, other rules and regulations, and this Articles of Incorporation. After the establishment of the audit committee, the rules in relation to supervisors of this Articles of Incorporation shall no longer be applicable. The matters of number, term of office, powers, rules of procedure for meetings, and other matters in relation to the audit committee will be separately adopted by an audit committee charter according to the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies.</u>	To add the rules of the audit committee charter and the sunset clause of the system of supervisors
Article 26	This Articles of Incorporation was made by all promoters on November 21, 2002. The first amendment was made on March 21, 2003...(Omitted) The eleventh amendment was made on June 28, 2011. The twelfth amendment was made on June 29, 2012. The thirteenth amendment was made on November 14, 2012. The fourteenth amendment is on June 19, 2014.	This Articles of Incorporation was made by all promoters on November 21, 2002. The first amendment was made on March 21, 2003...(Omitted) The eleventh amendment was made on June 28, 2011. The twelfth amendment was made on June 29, 2012. The thirteenth amendment was made on November 14, 2012. The fourteenth amendment is on June 19, 2014. The fifteenth amendment is on June 8, 2015.	To explain the revision history of the Articles of Incorporation.

Attachment 6

Comparative table for Amendments to Rules of Shareholders' Meeting

Article No.	The Current Article	The Amended Article	Reasons for Amendment
Article 3	(To convene shareholders meeting and meeting notice) A shareholders meeting of the Company shall, unless otherwise provided for in laws and regulations, be convened by the board of directors. The convention of a general shareholders meeting shall compile meeting agenda which shall be given to each shareholder no later than 30 days prior to the scheduled meeting date, for each registered stock shareholders whose shareholding is less than one thousand shares, a public notice may, as an alternative, be given by means of entering into MOPS; a notice to convene a special shareholders meeting shall be given to each shareholder no later than 15 days, a public notice may, as an alternative, be given by means of inputting into MOPS to each registered share shareholders whose shareholding is less than one thousand shares. The cause(s) or subject(s) of a meeting of shareholders to be convened shall be indicated in the individual notice; and the notice may, as an alternative, be given by means of electronic transmission, after obtaining a prior consent from the recipient(s) thereof. Matters pertaining to election or discharge of directors and supervisors, alteration of the Articles of Incorporation, and dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 of the Company Act, Article 26-1 & 43-6 of Securities & Exchange Act hereof shall be itemized in the causes or subjects to be described in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions. Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of the Company may propose to the Company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. In case any proposal submitted by shareholders has any of the circumstances provided in <u>Article 172-2, paragraph 4</u> of the Company Act, the board of directors may exclude the proposal submitted by a	(To convene shareholders meeting and meeting notice) A shareholders meeting of the Company shall, unless otherwise provided for in laws and regulations, be convened by the board of directors. The convention of a general shareholders meeting shall compile meeting agenda which shall be given to each shareholder no later than 30 days prior to the scheduled meeting date, for each registered stock shareholders whose shareholding is less than one thousand shares, a public notice may, as an alternative, be given by means of entering into MOPS; a notice to convene a special shareholders meeting shall be given to each shareholder no later than 15 days, a public notice may, as an alternative, be given by means of inputting into MOPS to each registered share shareholders whose shareholding is less than one thousand shares. The cause(s) or subject(s) of a meeting of shareholders to be convened shall be indicated in the individual notice; and the notice may, as an alternative, be given by means of electronic transmission, after obtaining a prior consent from the recipient(s) thereof. Matters pertaining to election or discharge of directors and supervisors, alteration of the Articles of Incorporation, and dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 of the Company Act, Article 26-1 & 43-6 of Securities & Exchange Act, <u>Article 56-1 & Article 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers</u> hereof shall be itemized in the causes or subjects to be described in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions. Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of the Company may propose to the Company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. In case any proposal submitted by shareholders has any of the circumstances	To revise according to rules and regulations.

Article No.	The Current Article	The Amended Article	Reasons for Amendment
	shareholder from the list of proposals to be discussed at a regular meeting of shareholders. Prior to the date on which share transfer registration is suspended before the convention of a regular shareholders' meeting, the Company shall give a public notice announcing the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than ten (10) days. The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words, and any proposal containing more than 300 words shall not be included in the agenda of the shareholders' meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular shareholders' meeting where at his/her proposal is to be discussed and shall take part in the discussion of such proposal. The Company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposals submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.	provided in Article 172-2, paragraph 4 of the Company Act, the board of directors may exclude the proposal submitted by a shareholder from the list of proposals to be discussed at a regular meeting of shareholders. Prior to the date on which share transfer registration is suspended before the convention of a regular shareholders' meeting, the Company shall give a public notice announcing the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than ten (10) days. The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words, and any proposal containing more than 300 words shall not be included in the agenda of the shareholders' meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular shareholders' meeting where at his/her proposal is to be discussed and shall take part in the discussion of such proposal. The Company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposals submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.	
Article 6	(The preparation of an attendance book) Attending shareholders or the proxy appointed by a shareholder shall submit their attendance cards in substitution for signing of attendance. The number of attending shares shall be calculated based on the attendance cards submitted. The Company shall submit to attending shareholders the meeting agenda, annual report, attendance card, comment slip, vote and other meeting materials; if there is an election of directors and supervisors, shall attach separately ballot. The shareholder shall have attendance card, a register of attendance or other attendance	(The preparation of Documents) Attending shareholders or the proxy appointed by a shareholder shall submit their attendance cards in substitution for signing of attendance. The number of attending shares shall be calculated based on the attendance cards submitted. The Company shall submit to attending shareholders the meeting agenda, annual report, attendance card, comment slip, vote and other meeting materials; if there is an election of directors, shall attach separately ballot. The shareholder shall have attendance card, a register of attendance or other attendance	To revise according to the establishment of the audit committee and the Company's practice

Article No.	The Current Article	The Amended Article	Reasons for Amendment
	certificate to attend shareholders' meeting; Proxy solicitor of proxy solicitation shall take along identity identity certificate for checkup. When the government or a juristic person is a shareholder, its proxy shall not be limited to one person. When a juristic person acts as the proxy to attend a shareholders' meeting, it can only appoint one person to attend the meeting.	certificate to attend shareholders' meeting; Proxy solicitor of proxy solicitation shall take along identity certificate for checkup. The shareholder shall have a register of attendance or other attendance certificate to attend shareholders' meeting; Proxy solicitor of proxy solicitation shall take along identity certificate for checkup. When the government or a juristic person is a shareholder, its proxy shall not be limited to one person. When a juristic person acts as the proxy to attend a shareholders' meeting, it can only appoint one person to attend the meeting.	
Article 9	(The calculation of attending shares of shareholders meeting, and the calling for meeting) Attendance of shareholders meeting shall be calculated based on shares. The number of attending shares shall be calculated based on the attendance register or the attendance cards submitted, and the shares exercised in writing or by way of electronic transmission. (Below omitted)	(The calculation of attending shares of shareholders meeting, and the calling for meeting) Attendance of shareholders meeting shall be calculated based on shares. The number of attending shares shall be calculated based on the attendance cards submitted, and the shares exercised in writing or by way of electronic transmission. (Below omitted)	Revise according to the Company's practice.
Article 13	(Voting of proposals, Voting monitoring and Voting Counting) Each shareholder shall have one voting power in respect of each share in his/her/its possession; but the shares shall have no voting power under limitation or provided for in <u>Article 179, Paragraph 2</u> of the Company Act. When the Company convenes the shareholders' meeting, the voting power at a shareholders' meeting may be exercised in writing or by way of electronic transmission, (Company being required to adopt the electronic transmission as method for exercising the voting power according to Paragraph 1, Article 177-1 of the Company Act: The Company shall adopt the electronic transmission as well as in writing as method for exercising the voting power) provided, however, that the method for exercising the voting power shall be described in the shareholders' meeting notice to be given to the shareholders if the voting power will be exercised in writing or by way of electronic transmission. A shareholder who exercises his/her/its voting power at a shareholders meeting in writing or by way of electronic transmission shall be deemed to have attended the said shareholders' meeting in person, but shall be deemed to have waived his/her/its voting power in respective of any extemporary motion(s) and/or the amendment(s) to the contents of the original proposal(s) at the said shareholders' meeting.	(Voting of proposals, Voting monitoring and Voting Counting) Each shareholder shall have one voting power in respect of each share in his/her/its possession; but the shares shall have no voting power under limitation or provided for in <u>Article 179, Paragraph 2</u> of the Company Act. The Company shall adopt the electronic transmission as well as in writing as method for exercising the voting power, provided, however, that the method for exercising the voting power shall be described in the shareholders' meeting notice to be given to the shareholders if the voting power will be exercised in writing or by way of electronic transmission. A shareholder who exercises his/her/its voting power at a shareholders meeting in writing or by way of electronic transmission shall be deemed to have attended the said shareholders' meeting in person, but shall be deemed to have waived his/her/its voting power in respective of any extemporary motion(s) and/or the amendment(s) to the contents of the original proposal(s) at the said shareholders' meeting. In case a shareholder attends the shareholders' meeting in person, he/she/it shall, at least two (2) day prior to the meeting date of the scheduled shareholders' meeting and in the same manner previously used in exercising his/her/its voting power, serve a separate declaration of intention to rescind his/her/its previous declaration of intention	To revise according to the adoption of electronic voting for each discussion itmes of the Company.

Article No.	The Current Article	The Amended Article	Reasons for Amendment
	Therefore, the Company will avoid proposing extemporary motion(s) and the revision of the original motion(s). In case a shareholder attends the shareholders' meeting in person, he/she/it shall, at least two (2) day prior to the meeting date of the scheduled shareholders' meeting and in the same manner previously used in exercising his/her/its voting power, serve a separate declaration of intention to rescind his/her/its previous declaration of intention made in exercising the voting power under the preceding Paragraph. In the absence of a timely rescission of the previous declaration of intention, the voting power exercised in writing or by way of electronic transmission shall prevail. In case a shareholder has exercised his/her/its voting power in writing or by way of electronic transmission, and has also authorized a proxy to attend the shareholders' meeting in his/her/its behalf, then the voting power exercised by the authorized proxy for the said shareholder shall prevail. Resolutions at a shareholders' meeting shall, unless otherwise provided for in Company Act and Articles of Incorporation of the Company, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares. In the process of resolution, the Chairperson or other person designated by the Chairperson shall announce the total number of voting shares of the attending shareholders for each discussion item. A resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballot if no objection is voiced after solicitation by the Chairperson. In case of arising objection, shall be adopted by voting method according to the foregoing Paragraph. Except the proposals included in agenda, other proposals or amendments to original proposals or alternative proposals submitted by shareholder shall have support of other shareholders, the number of shares of the proposer together with the supporting person shall reach to 1% of total number of issued voting shares. If there is amendment to or substitute for a discussion item, the Chairperson shall decide the sequence of voting for such discussion item, the amendment or substitute. If any one of them has been adopted, the others shall be	made in exercising the voting power under the preceding Paragraph. In the absence of a timely rescission of the previous declaration of intention, the voting power exercised in writing or by way of electronic transmission shall prevail. In case a shareholder has exercised his/her/its voting power in writing or by way of electronic transmission, and has also authorized a proxy to attend the shareholders' meeting in his/her/its behalf, then the voting power exercised by the authorized proxy for the said shareholder shall prevail. Resolutions at a shareholders' meeting shall, unless otherwise provided for in Company Act and Articles of Incorporation of the Company, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares. In the process of resolution, the Chairperson or other person designated by the Chairperson shall announce the total number of voting shares of the attending shareholders for each discussion item. <u>After such announcement is made, the shareholders will vote for each discussion item and the Company will enter the result of consent, objection, and waiving his/her/its right of the shareholders into the MOPS upon the same day of the convening of the shareholders meeting.</u> If there is amendment to or substitute for a discussion item, the Chairperson shall decide the sequence of voting for such discussion item, the amendment or substitute. If any one of them has been adopted, the others shall be deemed voted and no further voting is necessary. The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the Chairperson. The person(s) checking the ballot shall be a shareholder. The counting of votes shall be proceeded publicly at the place of shareholders meeting, the result of voting shall be announced at the meeting and placed on record.	

Article No.	The Current Article	The Amended Article	Reasons for Amendment
	deemed voted and no further voting is necessary. The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the Chairperson. The person(s) checking the ballot shall be a shareholder. The counting of votes shall be proceeded publicly at the place of shareholders meeting, the result of voting shall be announced at the meeting and placed on record.		
Article 14	The reporting items and non-proposals shall not be put to discussion or resolution. The Chairperson may announce to end the discussion of any resolution and go into voting if the Chairperson deems it appropriate.	The reporting items and non-proposals shall not be put to discussion or resolution.	The wordings are repeated with Article 10.
Article 16	(Meeting minutes and signing items) (Paragraph 1~3 omitted) The preceding resolution method, the Chairperson has asked shareholders for their opinion, in case shareholder has no objection on proposal(s), the meeting minutes shall record “pass a resolution without demur after the Chairperson solicits comment from all attending shareholders”. In case a shareholder raises objection to proposal(s), the meeting minutes shall record the voting method, the ratio of the number of voting shares for passing a resolution to issued shares.	(Meeting minutes and signing items) (Paragraph 1~3 omitted) <u>(Paragraph 4 is deleted)</u>	To delete Paragraph 4 to accompany the adoption of electronic voting for each discussion itmes of the Company.
Article 19	(Intermission, Continuance of Meeting) (Paragraph 1~3 omitted) The Chairperson may conduct the disciplinary officers (or the security guards) to assist in keeping order of the meeting place. Such disciplinary officers (or the security guards) shall wears badges marked “Disciplinary Officers” for identification purpose.	(Intermission, Continuance of Meeting) (Paragraph 1~3 omitted) <u>(Paragraph 4 is deleted)</u>	The wordings are repeated with Article 18.
Article 20-1	(New Added)	After the establishment of the audit committee of the Company, the Rules in relation to supervisors will no longer be applicable.	To add this clause according to the establishment of the audit committee.

Comparative table for Amendments to Rules for Election of Directors and Supervisors

Article No.	The Current Article	The Amended Article	Reasons for Admendment
Article 1	Except as otherwise provided by law and regulation or by this Company's Articles of Incorporation, elections of directors and supervisors shall be conducted in accordance with this Rules.	Except as otherwise provided by law and regulation or by this Company's Articles of Incorporation, elections of directors and supervisors shall be conducted in accordance with this Rules.	To add article number.
Article 2	1. The single registered cumulative voting method shall be adopted for election of the directors and supervisors of the Company. Each share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates. The same rules apply to the election of supervisors. For the registration of the voter's name may be substituted by printing the attendance card number on his/her ballot.	For election of the directors and supervisors of the Company, <u>unless otherwise provided under the laws and regulations</u> , each share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates. The same rules apply to the election of supervisors. For the registration of the voter's name may be substituted by printing the attendance card number on his/her ballot.	To add article number.
Article 3	3. Upon the beginning of the election, the chairperons shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel.	Upon the beginning of the election, the chairperons shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel.	To add article number.
Article 4	4. The number of directors and supervisors will be as specified in the Company's articles of incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes and will be respectively elected as non-independent directors, independent directors, or supervisors. If a candidate is elected as director and supervisor at the same time, such candidate shall decide whether to assume the office of director or supervisor. If the elected director or supervisor is being checked and verified that the election is void due to the inconformity of his/her personal information or according to the laws, the vacancy shall be replaced by the candidate with second higher votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance. For candidate not comply with the rules under Paragraph 3 and 4, Article 26 of the Securities Exchange Act, the election will loss its effect.	The number of directors and supervisors will be as specified in the Company's articles of incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes and will be respectively elected as non-independent directors, independent directors, or supervisors. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.	To add article number and to revise according to the rules and regulations.
Article 5	4-1 Elections of both directors and supervisors of the Company shall be conducted in accordance with the	Elections of both directors and supervisors of the Company shall be conducted in accordance with the	To add article number.

Article No.	The Current Article	The Amended Article	Reasons for Admendment
	candidate nomination system and procedures. The board of directors or any shareholder holding 1% or more of the total number of outstanding shares issued by the company may submit a roster of director and supervisor candidates according the Company Act and related rules and regulations. The company shall, prior to the share transfer suspension date dedicated before the meeting date of a shareholders' meeting, announce in a public notice, the period for accepting the nomination of director and supervisor candidates, the quota of directors and supervisor to be elected, the place designated for accepting the roster of candidates nominated, and other necessary matters. The candidate qualification of the independent director of the Company shall be handled according to the laws and regulations.	candidate nomination system and procedures. The board of directors or any shareholder holding 1% or more of the total number of outstanding shares issued by the company may submit a roster of director and supervisor candidates according the Company Act and related rules and regulations. The company shall, prior to the share transfer suspension date dedicated before the meeting date of a shareholders' meeting, announce in a public notice, the period for accepting the nomination of director and supervisor candidates, the quota of directors and supervisor to be elected, the place designated for accepting the roster of candidates nominated, and other necessary matters. The candidate qualification of the independent director of the Company shall be handled according to the laws and regulations.	
Article 6	5. For ballots of the directors, if not together elected with non-independent directors and independent directors, the ballots shall be calculated separately and the candidates shall be elected separately.	For ballots of the directors, if not together elected with non-independent directors and independent directors, the ballots shall be calculated separately and the candidates shall be elected separately.	To add article number.
Article 7	6. The board of directors shall prepare and distribute separate ballots according to the attendance card number; one person shall have one vote, the ballots shall be distributed in numbers corresponding to person to be elected. The number of voting rights of each shareholder shall be specified on each ballot.	The board of directors shall prepare and distribute separate ballots according to the attendance card number; one person shall have one vote, the ballots shall be distributed in numbers corresponding to person to be elected. The number of voting rights of each shareholder shall be specified on each ballot.	To add article number.
Article 8	7. If a candidate is a shareholder, a voter must enter the candidate's account name in the "candidate" column of the ballot, and may add the note of the shareholder account number of the candidate. If a candidate is a non-shareholder, the voter shall enter the candidate's full name and identity card number in the "candidate" column. However, when the candidate is a governmental organization or juristic-person, the full name of the governmental organization or juristic-person or the name of its representative shall be entered in the column.	If a candidate is a shareholder, a voter must enter the candidate's account name in the "candidate" column of the ballot, and may add the note of the shareholder account number of the candidate. If a candidate is a non-shareholder, the voter shall enter the candidate's full name and identity card number in the "candidate" column. However, when the candidate is a governmental organization or juristic-person, the full name of the governmental organization or juristic-person or the name of its representative shall be entered in the column.	To add article number.
Article 9	8. A ballot is invalid under any of the following circumstances: (1) The ballot was not prepared according to the rules under Article 5. (2) A ballot is not placed in the ballot box. (3) A blank ballot not filled in by the	A ballot is invalid under any of the following circumstances: (1) The ballot was not prepared according to the rules under Article 7. (2) A ballot is not placed in the ballot box. (3) A blank ballot not filled in by the	To add article number.

Article No.	The Current Article	The Amended Article	Reasons for Admendment
	voter. (4) The candidate was filled in for more than two people. (5) The writing is unclear and indecipherable. (6) Other words or marks are entered in addition to the candidate's account name (name) and shareholder account number (or identity card number). (7) The account name (name) of the candidate entered in the ballot is identical to that of another shareholder account name (name), but no shareholder account number (identity card number) is provided in the ballot to identify such individual. (8)The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register; the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.	voter. (4) The candidate was filled in for more than two people. (5) The writing is unclear and indecipherable. (6) Other words or marks are entered in addition to the candidate's account name (name) and shareholder account number (or identity card number). (7) The account name (name) of the candidate entered in the ballot is identical to that of another shareholder account name (name), but no shareholder account number (identity card number) is provided in the ballot to identify such individual. (8)The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register; the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.	
Article 10	9. The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation shall be announced by the chairperons on the site.	The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation shall be announced by the chairperons on the site.	To add article number.
Article 11	10. The board of directors shall separately issue notifications to the persons elected as directors or supervisors by voting.	The board of directors shall separately issue notifications to the persons elected as directors or supervisors	To add article number.
Article 12	11. These Rules and any amendments hereto shall be implemented after approval by a shareholders meeting.	These Rules and any amendments hereto shall be implemented after approval by a shareholders meeting.	To add article number.
Article 12-1	(New Added)	After the establishment of the audit committee of the Company, the Election Rules in relation to supervisors will no longer be applicable.	To add this clause according to the establishmentof the audit committee of the Company.
Article 13	12. These Rules was made on May 19, 2004. The first amendment was made on June 13, 2007. The second amendment was made on June 29, 2012.	These Rules was made on May 19, 2004. The first amendment was made on June 13, 2007. The second amendment was made on June 29, 2012. <u>The third amendment was made on June 8, 2015.</u>	To add article number and the history of amendment.